

The precise impact of the referenced Order on OSP commission payments to aggregators is not as clear. It is possible that, with the broader-base of cost recovery and revenue generation, OSPs will not need to pay such high commissions to aggregators to secure their business and generate revenue. But, it is also possible that the aggregator's demands for commission payments might remain persistent, and perhaps even grow as the aggregator views itself as an increased source of revenue to the OSP.

The above-referenced proceeding will also allow LECs, such as USWC to partner the provision of its payphones with an OSP of its choice. While a location or premise owner will have the final say as to what OSP it wants to utilize, if that OSP is not the OSP chosen by USWC, then USWC will be able to decline to provide service.

This will produce some market impact with respect to price-gouging OSPs, but not much. Right now, at least theoretically, a location/premise owner can purchase service from USWC (either a payphone service or a public access line), and can choose whatever OSP it wants to associate with the service. Thus, a location/premises owner might choose an OSP that provides it with a lucrative commission scheme, thereby raising consumer rates.

In the future, if the location/premises owner desires U S WEST service, it will need to agree to the OSP associated with that service. While that might bring a more-restrained OSP onto the premises, at least in theory, the fact that the location/premises owner is always the ultimate determiner of who services the

location means that the owner can always look elsewhere to find a service provider who utilizes a high-commission-paying OSP. Thus, at least this aspect of the above-referenced Order should not be expected to have a significant or material impact on current market conditions.

#### IV. CONCLUSION

The Bureau should reject any mandate that ubiquitous rate information disclosures be made on every 0+ call made from every payphone/aggregator station in the United States. Such a proposal is not supported by general market demand, logic or sound public policy theory.

Right now, the vast majority of away-from-home callers know how to place such calls in a manner totally satisfactory to them, often supported by existing business relationships with the carriers they utilize. Those callers who continue to have difficulties with respect to such calling currently fail to utilize those simple, easy-to-use tools already made available to them to secure timely, accurate rate disclosures with respect to the calls they are about to make. Carriers should not be expected to expend substantial sums of money to remedy persistent consumer "head in the sand" behavior. Neither sound economic nor public policy theory leads to a different conclusion.

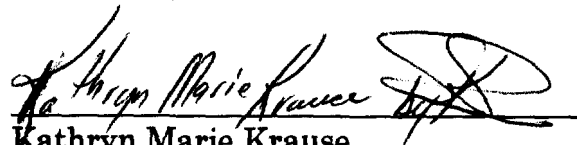
In the event that the Bureau recommends to the full Commission, and the Commission adopts, ubiquitous rate disclosure messages, such messages should be required to do no more than provide the consumer the opportunity to stay on the line to secure rate information. And the particular presentation of the rate

information should be left up to the OSP providing the service. This model represents the most targeted model, and is one capable of fairly easy implementation, access and use. Thus, it represents the model most in the public interest.

Respectfully submitted,

U S WEST, INC.

By:

A handwritten signature in cursive script, appearing to read "Kathryn Marie Krause", written over a horizontal line.

Kathryn Marie Krause  
Suite 700  
1020 19th Street, N.W.  
Washington, DC 20036  
(303) 672-2859

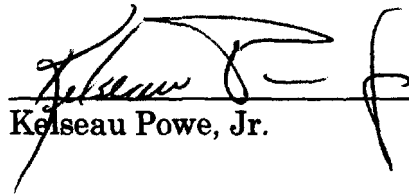
Its Attorney

Of Counsel,  
Dan Poole

November 13, 1996

## **CERTIFICATE OF SERVICE**

I, Kelseau Powe, Jr., do hereby certify that on this 13th day of November, 1996, I have caused a copy of the foregoing **COMMENTS OF U S WEST, INC.** to be served via hand-delivery upon the persons listed on the attached service list.

  
Kelseau Powe, Jr.

Reed E. Hundt  
Federal Communications Commission  
Room 814  
1919 M Street, N.W.  
Washington, DC 20554

James H. Quello  
Federal Communications Commission  
Room 802  
1919 M Street, N.W.  
Washington, DC 20554

Susan P. Ness  
Federal Communications Commission  
Room 832  
1919 M Street, N.W.  
Washington, DC 20554

Rachelle B. Chong  
Federal Communications Commission  
Room 844  
1919 M Street, N.W.  
Washington, DC 20554

Regina M. Keeney  
Federal Communications Commission  
Room 500  
1919 M Street, N.W.  
Washington, DC 20554

Mark Nadel  
Federal Communications Commission  
Room 544  
1919 M Street, N.W.  
Washington, DC 20554

John Muletta  
Federal Communications Commission  
Room 6008  
2025 M Street, N.W.  
Washington, DC 20554

Adrien R. Auger  
Federal Communications Commission  
Room 6008  
2025 M Street, N.W.  
Washington, DC 20554

(Include 3 x 5 Diskette w/Cover Letter)

International Transcription  
Services, Inc.  
Suite 140  
2100 M Street, N.W.  
Washington, DC 20037

(CC9277#6.KK/lh)  
Last Update: 11/13/96